



JOHN NAIMO
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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July 30, 2015

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

FROM: John Naimo
Auditor-Controller

SUBJECT: **ANNUAL REPORT ON FOUNDATIONS AND SUPPORT GROUPS**

On January 4, 1994, your Board adopted requirements governing departmental relationships with foundations and support groups. The adopted procedures, which were also incorporated into the County Fiscal Manual, defined the types of organizations that qualify as "reportable foundations," and established requirements for County departments to monitor, account for, and report on their relationships with reportable foundations. These procedures also require County departments to file an annual benefit/cost report with the Board of Supervisors and the Auditor-Controller on each reportable foundation.

Attachment I summarizes the information provided by departments in their reports of foundation activities for Fiscal Year 2013-14. Attachment II lists the departments that did not report any foundation or support groups. This data is for information only and has not been audited.

Summary

County departments and commissions reported:

- Affiliations with 178 foundations. Sixteen County departments and commissions reported affiliations with one or more foundations, and 21 departments reported no affiliations.

- Receipt of approximately \$121 million in tangible benefits from foundations. Eighty-nine percent of the reported tangible benefits were from the Museum of Art and the Natural History Museum.
- County support provided to foundations totaling \$53.3 million. Eighty-one percent of the reported support was provided to the two museums. The museums reported tangible benefits in excess of County support provided.
- 117 foundations that provided more tangible benefits to the County than support received from the County. This includes 78 Public Library Friends/local support groups that were reported on as a group, not individually.
- 19 foundations that received more County support than the tangible benefits they provided to the County. In only two (11%) cases (the Descanso Gardens Guild, Inc. and the Sheriff's Youth Foundation of Los Angeles County), were the County costs significant and, in each case, the County receives significant intangible benefits. In several cases, the departments/foundations did not identify or quantify the intangible benefits being received from the foundations. However, in each case, based on the purpose of the foundation, it appears the department or the County does receive intangible benefits from the foundations. Intangible benefits identified included volunteer services, research and training, grant support/funding, youth activities, and promoting goodwill in the community.
- Incomplete or no financial data for 42 foundations/support groups. (This includes 31 small neighborhood support groups reported on as a group by the Department of Parks and Recreation.) In most cases, departments reported intangible benefits and minimal or no County costs associated with the relationships.

Conclusion

County departments report that their affiliations with foundations have resulted in tangible and intangible benefits to the County that exceed the amount of support (financial and non-financial) provided to the foundations by the County.

If you have any questions please call me, or your staff may contact Robert Smythe at (213) 253-0100.

JN:AB:RS

Attachments

c: Sachi A. Hamai, Interim Chief Executive Officer
Patrick Ogawa, Acting Executive Officer, Board of Supervisors
Audit Committee
Public Information Office

**Departments Reporting Associations with Foundations or Support Groups
in Fiscal Year 2013-14**

| Department | Number of Groups Reported | Group or Foundation | Departmental Support Provided to Foundation¹ | Tangible Benefits Received by the County¹ | Additional Intangible Benefits Received by County¹ |
|---|--|---|--|---|--|
| Animal Care and Control | 1 | Los Angeles County (LAC) Animal Care Foundation | \$ 0 | \$ 265,300 | Yes |
| LAC Arts Commission (Board of Supervisors) | 1 | Ford Theater Foundation | 213,200 | 47,400 | Yes |
| Community Development Commission | 1 | LAC Community Development Foundation | 130,200 | 157,800 | Yes |
| Community and Senior Services | 2 | Human Relations Foundation of LAC | 700 | 0 | Yes |
| | | Community Services Resource Corporation | 700 | 0 | No |
| Fire | 7 | County of Los Angeles Firefighter Association Inc. | 0 | 0 | Yes |
| | | LAC Firefighter Emerald Society and Pipes and Drums | 0 | 0 | Yes |
| | | Chaplains Benevolent Fund | 0 | 0 | Yes |
| | | LAC Lifeguard Association Trust Fund | 0 | 0 | Yes |
| | | Explorer Program | 87,500 | 0 | Yes |
| | | Association of Chiefs | 0 | 1,000 | Yes |
| | | County of Los Angeles Fire Museum Association | 0 | 10,000 | Yes |

¹ Support information is unaudited, and was either self-reported by departments on Annual Reporting Forms, or obtained using other information (e.g., the Foundation's Form 199 Annual Information Return, list of Foundation assets, etc.) to estimate support provided or benefits received. If the requested information was not reported and no other information was available, we indicated N/A in the appropriate column.

**Departments Reporting Associations with Foundations or Support Groups
in Fiscal Year 2013-14**

| Department | Number of Groups Reported | Group or Foundation | Departmental Support Provided to Foundation¹ | Tangible Benefits Received by the County¹ | Additional Intangible Benefits Received by County¹ |
|-------------------------------|--|--|--|---|--|
| Health Services | 12 | The LAC/USC Medical Center Auxiliary | \$ 897,500 | \$ 1,738,300 | Yes |
| | | Los Angeles BioMedical Research Institute | 770,300 | 4,627,000 | Yes |
| | | Harbor-UCLA Medical Center Guild | 14,000 | 20,300 | Yes |
| | | Harbor-UCLA Medical Foundation, Inc. | 3,696,800 | 3,794,800 | Yes |
| | | Rancho Los Amigos Foundation | 175,800 | 398,900 | Yes |
| | | Rancho Research Institute | 563,000 | 595,300 | Yes |
| | | Patient Welfare Fund | 0 | 118,300 | Yes |
| | | Canteen Fund | 0 | 6,000 | No |
| | | Olive View-UCLA Education & Research Institute | 0 | 15,500 | Yes |
| | | Olive View Medical Center Auxiliary | 15,500 | 4,500 | Yes |
| | | High Desert Auxiliary | 13,400 | 20,200 | Yes |
| | | High Desert Hospital Professional Staff Association | 0 | 0 | No |
| | | | | | |
| Mental Health | 3 | Friends of Coastal Asian Pacific Mental Health Services | 100 | 2,100 | No |
| | | Guardian Circle | 14,600 | 2,500 | No |
| | | LAC Client Coalition | 248,200 | 0 | Yes |
| Military and Veterans Affairs | 1 | Friends of Bob Hope Patriotic Hall | 400 | 800 | No |
| Museum of Art | 1 | Museum Associates | 29,030,000 | 80,363,000 | No |
| Natural History Museum | 1 | Museum of Natural History Foundation | 13,176,800 | 27,718,700 | Yes |

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**Departments Reporting Associations with Foundations or Support Groups
in Fiscal Year 2013-14**

| Department | Number of Groups Reported | Group or Foundation | Departmental Support Provided to Foundation¹ | Tangible Benefits Received by the County¹ | Additional Intangible Benefits Received by County¹ |
|----------------------|--|--|--|---|--|
| Parks and Recreation | 46 | Small Neighborhood Support Groups - 31 groups | N/A | N/A | No |
| | | San Gabriel Mountains Regional Conservancy | \$ 2,700 | \$ 16,800 | Yes |
| | | Santa Clarita Valley Historical Society | 0 | 0 | No |
| | | Bonelli Park Support Foundation | 0 | 13,200 | Yes |
| | | Friends of Castaic Lake | 0 | 27,300 | Yes |
| | | Friends of Hart Park and Museum | 0 | 9,700 | No |
| | | Friends of Robinson Gardens | 52,900 | 18,500 | Yes |
| | | Friends of Steinmetz Senior Center | 84,800 | 5,700 | Yes |
| | | Los Angeles Arboretum Foundation | 0 | 32,900 | Yes |
| | | Nature Center Associates of Los Angeles | 4,200 | 0 | Yes |
| | | Schabarum Park Support Foundation | 0 | 2,300 | Yes |
| | | The South Coast Botanic Garden Foundation | 139,000 | 73,900 | Yes |
| | | Val Verde Community Benefits Funding Committee | 0 | 9,000 | No |
| | | Descanso Gardens Guild, Inc. | 1,271,300 | 73,100 | No |
| | | Los Voluntarios | 0 | 0 | Yes |
| | | LAC Parks Foundation | 400 | 0 | Yes |
| Public Health | 2 | Immunization Coalition of LAC | 151,400 | 0 | Yes |
| | | Public Health Foundation Enterprises | 0 | 4,200 | No |
| Public Library | 79 | Friends of the Library - 78 groups | 73,400 | 357,500 | Yes |
| | | LAC Public Library Foundation | 25,900 | 21,000 | Yes |

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Departments Reporting Associations with Foundations or Support Groups
in Fiscal Year 2013-14

| Department | Number of Groups Reported | Group or Foundation | Departmental Support Provided to Foundation ¹ | Tangible Benefits Received by the County ¹ | Additional Intangible Benefits Received by County ¹ |
|-----------------------------|---------------------------------|---|---|--|--|
| Public Social Services | 1 | Toy Loan Advisory Board | \$ 17,500 | \$ 0 | Yes |
| Public Works | 1 | Santa Monica Bay Restoration Foundation | 0 | 0 | Yes |
| Sheriff's | 19 | Sheriff's Youth Foundation of LAC | 2,304,300 | 0 | Yes |
| | | Sheriff's Support Group of Altadena | 0 | 27,200 | Yes |
| | | Crescenta Valley Community Support Group | 0 | 19,700 | Yes |
| | | Antelope Valley Sheriff's Boosters | 0 | 64,200 | Yes |
| | | Malibu Lost Hills Sheriff's Foundation | 0 | 34,500 | Yes |
| | | Palmdale Sheriff's Booster's Foundation | 4,900 | 18,900 | Yes |
| | | Santa Clarita Valley Sheriff's Foundation | 0 | 0 | Yes |
| | | West Hollywood Sheriff's Booster Club | 0 | 34,600 | Yes |
| | | Century Sheriff's Station Foundation | 0 | 3,000 | Yes |
| | | Industry Sheriff's Youth Activities League | 0 | 0 | No |
| | | Friends of Industry Sheriff's Station | 0 | 0 | No |
| | | San Dimas Station Booster Club | 1,300 | 11,700 | No |
| | | Walnut Diamond Bar Station Booster Club | 1,100 | 3,700 | Yes |
| | | Marina del Rey Sheriff's Support Unit | 0 | 22,700 | No |
| | | Los Angeles Sheriff's Children's Scholarship Fund | 0 | 132,500 | No |
| | | Friends of Lakewood Sheriff's Station | 1,600 | 300 | Yes |
| | | Pride Program | 151,900 | 0 | Yes |
| | | Carson Sheriff's Station Support Foundation | 0 | 20,100 | No |
| | | Reserve Executive Staff | 0 | 1,200 | Yes |
| Total Support Groups | 178 | | \$53,337,300 | \$120,967,100 | |

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**Departments Reporting No Foundations or
Support Groups in Fiscal Year 2013-14**

1. Agricultural Commissioner/Weights and Measures
2. Alternate Public Defender
3. Assessor
4. Auditor-Controller
5. Beaches and Harbors
6. Board of Supervisors
7. Chief Executive Office
8. Chief Information Office
9. Child Support Services
10. Children and Family Services
11. Consumer Affairs
12. County Counsel
13. District Attorney
14. Human Resources
15. Internal Services Department
16. Medical Examiner-Coroner
17. Probation
18. Public Defender
19. Regional Planning
20. Registrar-Recorder/County Clerk
21. Treasurer and Tax Collector